

EXHIBIT 49

to

**Declaration of Kenneth A. Gallo in
Support of Defendant's Motion for
Reconsideration or, in the Alternative, for
Certification of an Interlocutory Appeal**



December 10, 2015
Page 1 of 4

Sustainability Solutions

Brian White
President
Stryker Sustainability Solutions
1810 West Drake Dr.
Tempe, AZ 85283
t: 888-888-3433
c: 269-352-0516

Mr. David Mixner
Chief Executive Officer
Rebotix, LLC
539 Pasadena Avenue South
St. Petersburg, FL 33707

Dear Mr. Mixner:

Stryker Sustainability Solutions, Inc. ("Stryker") is pleased to submit this preliminary, non-binding indication of interest (the "Proposal") to Rebotix, LLC ("the Company") to acquire the Company's reprocessed/remanufactured Da Vinci S/Si EndoWrist (originally manufactured by Intuitive Surgical) assets (the "Product Line"). Stryker is excited about the opportunity to combine the Product Line with Stryker's rapidly growing Sustainability businesses (the "Transaction"). Our Proposal is as follows:

1. **Valuation:** Based on the confidential information package provided to date by the Company and publicly available information, and subject to our due diligence review and validation of our valuation assumptions, we have valued the Product Line at \$13.5 million. Key determinants of value include, but are not limited to:
 - (i) the ability of the Company to meet manufacturing quality system expectations and cost assumptions;
 - (ii) the ability of the Company to transfer to Stryker its intellectual property, Da Vinci surgical robot, CE Mark, manufacturing equipment, procedures, design history file, raw material and components, and records of correspondence with the FDA;
 - (iii) successful completion of due diligence of the intellectual property (including verified freedom to manufacture and sell the products included in the Product Line without infringing any third party patent rights);
 - (iv) the ability of the Company to transfer to Stryker responsibility for all activities related to 510(k) clearance and product commercialization;
 - (v) the ability of the Company to transfer to Stryker its existing sources of device collection as well as collection modalities; and
 - (vi) the ability of the Company to transfer to Stryker any records of "voice of customer" input.

Consideration: We propose to acquire the Product Line for a total potential consideration of US \$13.5 million, payable as follows: (a) an initial payment of \$2.0 million, payable upon closing, (b) a milestone payment of \$0.5 million, payable upon 510(k) clearance, (c) a milestone payment of \$1.0 million, payable upon the commercialization of the Product Line, which shall be defined as (i) a manufacturing transfer of the Product Line to a Stryker

December 10, 2015
Page 2 of 4

facility or Stryker qualified contract manufacturer or supplier, and (ii) the commercialization of the Products for first US sale, and (d) royalty payments of \$100 per device sold by Stryker for seven years, subject to a cap of \$10.0 million in cumulative royalty payments.

2. **Financing Sources:** Any Transaction would be 100% financed from Stryker's cash reserves.
3. **Review and Approvals:** While the Transaction has not been approved at this time, our senior management has reviewed this Proposal and is enthusiastic about the opportunity. Any Transaction will be subject to our standard approval process and required regulatory approvals.
4. **Due Diligence Requirements:** Our ongoing due diligence review would include, among other things: (i) meetings with management, (ii) review of customer and supplier relationships, (iii) review of sales channels and distribution structure, (iv) analysis of current product portfolio and R&D pipeline, (v) facility visits, including quality systems assessments and (vi) legal, financial, tax, intellectual property, FDA and regulatory due diligence.

We look forward to working with the Company to develop a detailed plan that fully addresses our due diligence requirements while minimizing any disruption to the Company's business. We are prepared to immediately assign appropriate resources to the due diligence effort and commit to finish our analysis as quickly and efficiently as possible.

5. **Management Presentations:** We look forward to meeting with the Company team for a detailed review of historical and projected results, key R&D programs and discussion of other relevant areas. We would be available during the next few weeks to participate in management presentations.
6. **Timing and Definitive Documents:** Timing will largely be dependent upon the Company's ability to provide the detailed information required to satisfy Stryker's due diligence requirements and the time required to negotiate definitive agreements. Stryker will prepare the initial drafts of the definitive documents.
7. **Exclusivity:** In consideration of the time, effort and expenses to be undertaken by Stryker in connection with the pursuit of the possible Transaction, for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, and in order to help facilitate an effective due diligence process between Stryker and the Company, from the date the Company executes and returns this Proposal to Stryker until 120 days thereafter ("Exclusivity Period"), the Company agrees that neither it nor its directors or officers shall authorize or permit its shareholders, employees, representatives or agents to (i) solicit, initiate or encourage the submission of any proposal or offer from any other person in connection with a transaction of the type contemplated herein or otherwise relating to the sale or license of the Company or the Product Line, or (ii) participate in any negotiation regarding, or furnish any other person information with respect to, or otherwise cooperate in

December 10, 2015
Page 3 of 4

any way with, or assist or participate in, or facilitate or encourage, any effort or attempt by any other person in connection with an unsolicited offer for such a transaction.

8. Contacts: The primary contacts for the Transaction are as follows:

| | |
|--|---|
| David Fabricant VP, Global Business Development Stryker Corporation 201-993-0383 David.fabricant@stryker.com | Eric Varty Sr. Director, Advanced Technology Development Stryker Corporation 602-618-2681 Eric.varty@stryker.com |
|--|---|

9. Other Considerations: Whether or not the parties enter into a definitive agreement with respect to a Transaction, each of the parties hereto will pay its own costs and expenses (including, without limitation, legal or financial advisory and accounting fees and expenses) incurred at any time in connection with pursuing or consummating a possible Transaction.

10. Governing Law: This letter will be governed by and construed in accordance with the laws of the State of New York as applicable to contracts made and to be performed in that state, without regard to conflicts of laws principles.

This Proposal, the provisions of this letter and our identity are confidential information protected by the *Confidentiality Agreement* between the Company and Stryker dated July 13, 2015.

This letter is not intended to create or constitute any legally binding obligation, liability or commitment by us regarding a possible Transaction, and, other than the understanding with respect to (i) exclusivity outlined in Section 7 above, (ii) expenses outlined in Section 9 above, (iii) governing law outlined in Section 10 and (iv) and the confidentiality provisions contained herein and in the *Confidentiality Agreement* between the Company and Stryker dated July 13, 2015, there will be no legally binding agreement between us unless and until a definitive agreement is executed.

Our Proposal reflects our current understanding of the attractiveness of the Product Line and the potential benefit that the Product Line will bring to Stryker. We hope you find our initial Proposal acceptable and we look forward to moving expeditiously toward a successful Transaction. Please feel free to contact me with any questions or concerns.

Sincerely,

Brian White
President

December 10, 2015
Page 4 of 4

STRYKER SUSTAINABILITY
SOLUTIONS

By: 

Name: Brian White

Title: President

Date: 12/10/15

REBOTIX, LLC

By: 

Name: David Mixner

Title: Chief Executive Officer

Date: 12/14/15

cc:

David Fabricant
Pat Campbell
Bill Scott
Tim Throm
Sean Etheridge
Bryant Zanko